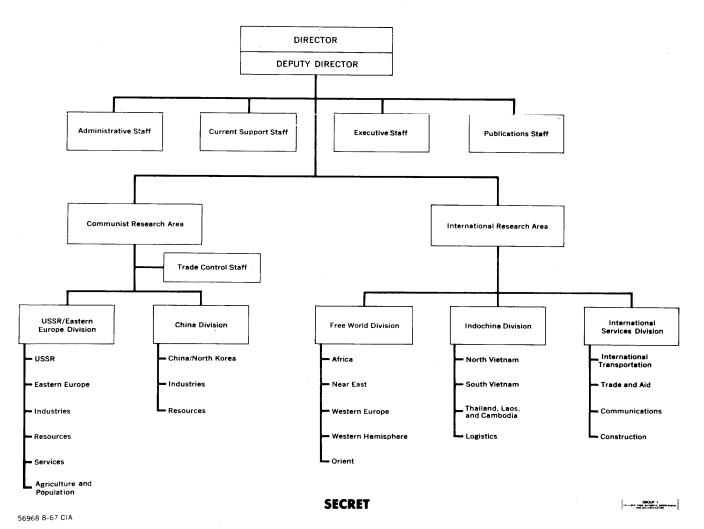
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SECRET

OFFICE OF ECONOMIC RESEARCH



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Alternative Recremisation Proposals for OER

1. Additional Deputies for the Director, GER

Proposal: Establish one or more additional Deputy Directors.

Discussion: Under this proposal the support formerly provided to the Director in the planning, control, and review of research by the Chief of the Economic Research Area would be distributed among two or more Deputy Directors. This would reduce the span of control of the Director and would provide for senior level supervision and review of the production of intelligence. The existing division and branch structure would remain as they are at the present time.

Pro:

- 1. Narrows the Director's span of control.
- 2. Provides for improved supervision and substantive review.
- 3. Holds to a minimum the number of supervisory echelons and support personnel.

Con:

overload on the Chief of
the Trade and Services
Division resulting from
heavy responsibilities for
providing intelligence
support on: the Vietnam
var; trade controls;
Communist economic activities
in the less developed countries;
international shipping; communications and construction.

- 2. Perpetuates the patchwork character of intelligence support related to the war in Vietnam and other crisis developments in the Indochina area generally.
- the increasing need of OER customers for research and support with a geographic orientation and fails to meet the need to integrate more closely geographic and functional components.
- 4. Neglects the need to relate
 OER divisional and branch
 structure more closely to
 the general geographic
 pattern of ONE, OCI, DDP,
 and the Department of State.
- familiar with the activities

 of the Office across the

 board -- a situation which

 would provide some difficulty

 when the deputy is running the

 Office in the absence of the

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2. Split the Trade and Services Division in Two

Proposal: Two new divisions would be created in place of the existing Trade and Services Division.

Discussion: An Indochina Division would be established to concentrate on the priority concern with that part of the world and to integrate the functional and geographic work for that area. A Services Division would be set up to cover international trade and finance (including Communist economic activities in the less developed countries), international shipping, and communications. This Division would also have the responsibility for trade control support. Certain additional adjustments would be made involving other Divisions of the Office. The most significant of these would be the transfer of the Indochina Branch from the Free World Division to the proposed Indochina Division.

Pro:

- on the Chief of the Trade and Services Division.
- 2. Consolidates research and support on the Vietnam war and on the related crisis area of Indochina into one division.
- 3. Improves arrangements for trade control support, strengthening the management of other Branches

Con:

- 1. Relieves the excessive burden 1. Widens the Director's span of control.
 - 2. Further weakens direction and review above the Division level.
 - 3. Fails to integrate geographic and functional components except in the case of Indochina.
 - 4. Fails to relate the

currently in the Trade and Services Division.

4. Holds supervisory echelons to

responsibilities for OER's Divisions and Branches more closely to OHE, OCI, DDP, and State.

3. Structure the OSER Organization Along the Lines of the Department of State

<u>Proposel</u>: Regroup the four OER Divisions and 23 Branches into economic research areas in a pattern corresponding to the organizational structure in the Department of State.

Discussion: In consideration of the fact that the Department of State is the largest single consumer of the ONR product outside the Agency and the fact that ONR, OCI, and the DDF have patterned their organizations somewhat along the lines of the geographic components in State, we considered the possibility of an organization roughly corresponding to the State's five geographic Eureaus: African Affairs, Inter-American Affairs, East Asian and Facific Affairs, European Affairs, and Hear Eastern and South Asian Affairs. It soon became apparent, however, that no standard geographic organizational pattern exists among the Agency components noted and the Department of State. More significant, the pattern of workload and priorities which influences the Department of State's organization, as well as that of the CIA organizations referred to, is not consistent with that of OER.

Thought was given to a Buropean Area to be divided into an Analysis Division with geographic branches, and a Resources and

Services Division which would contain elements of the present functional branches in OER. A second Area was designated as the East Asia/Pacific Area with a China Bivision, an Indochina/Orient Division, and a Special Projects Division to cope with the Vietnam war. Two additional areas were added to provide for Latin America and Africa.

Pro:

- into a closer relationship with geographic units.
- 2. Matches the organization more closely with other components 2. Imposes excessive overof CIA and with State, thereby facilitating cooperation somewhat. 3. Fails to integrate
- 3. Provides more supervision and review above the Division level.
- 4. Reduces the over-burden on the 4. Makes no adjustment in Chief of the Trade and Services Division and centralizes the intelligence effort on the Vietnam var.

Con:

- 1. Frings functional components 1. Fails to properly relate the organizational structure to OER's pattern of priorities.
 - head at the Area level.
 - functional and geographic components.
 - the Director's span of control.
 - 5. Separates the intelligence effort on the Vietnam war from related work on Indochina.

4. Organize the Office into Geographic Areas Retaining Separate Functional Divisions

Proposal: Group OER's aggregative functional and research components into a minimal number of geographic research areas retaining functional divisions.

Discussion: Several versions of this proposal were considered. The one presented below provides for seven research divisions organized into two research areas. A Communist Research Area would include a USSR/EE Division, a China Division, and a Resources and Services Division which would serve the geographic components of the areas, but would not be integrated with them. An International Area would include an Asia/Africa/Near East Division, a WE/WH Division, a Trade and Services Division serving these two geographic commonents, and a special Projects for Indochina Division which might either incorporate all work in support of the Vietness war, Ameticaal and geographic, or which might incomess all of Indochina.

Pro:

- 1. Reduces the Director's spen of control.
- 2. Provides for better supervision and review of the Divisions.
- 3. Reduces the overload on the Chief of the Trade and Services Division. smong the seven divisions.
- 4. Brings the functional intelli- 3. Provides for an unnecessarily gence activities in closer alignment with the geographic components.

Con:

- 1. Provides only partial integration of functional and geographic elements.
 - 2. Results in an uneven balance in personnel
 - large number of divisions.

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- 5. Provides for a somewhat more geographic organizational alignment.
- 6. Maintains the unity of the functional components.

Transpor- Construction tation Branch ... Division... (Vietnam Projects Special War) East Asia/Pacific Area Aggregate Manufacturing Task Force Indochina Division Orient & Services Branch

Branch

Branch

Europe

Europe

Branch

Branch

Branch Union

Soviet Eastern Western

Western Hourisphone

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Area

Division China

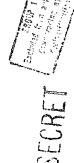
> & Services Division ...

Divișion

Analysis

Resources

European Area



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